

Committee on Fair Funding

Charge: Identify recommendations to increase adequacy and equity in education funding.

“The bottom line is that ‘minimally adequate’ is not an acceptable standard for our schools. Things you care about, things you put a value on—you just don’t talk about them that way. It’s time to take a hard look at how we fund public education in South Carolina.”

—Jim Rex

The compelling and impassioned report of the Transition Leadership Team’s Committee on Fair Funding lists forty-seven recommendations to begin a statewide discussion on creating a comprehensive system of fair funding for education in South Carolina.

The current system, the Committee noted, is “fragmented, unfair, uneven, and inadequate”:

Sources of revenue and allocation mechanisms lack transparency, are overly complex, and are filled with uncertainty, unintended consequences, and unfunded mandates. The laws funding education are a patchwork of often well-meaning “reforms” which are outdated and inconsistent.

The result is a current education funding system that fails to align resources with clear principles and a compelling vision of the future.... Worse, South Carolina’s current piece-meal funding approach perpetuates a consistent failure to provide each child in South Carolina with an opportunity to acquire the education necessary to become a productive worker in the competitive global economy of the twenty-first century.

The Committee defined “fair funding” as a system that “would result in each child in South Carolina receiving the opportunity to acquire the education necessary to give that child a fair chance in life, regardless of race, national origin, gender, geography, or socio-economic status.”

Twelve principles guided the Committee’s recommendations:

Education funding should be simple, fair, adequate, and transparent. “Simple” means understandable by the citizens of South Carolina; “fair” means that resources are greater where needs are greater; “adequate” means sufficient to meet the needs of the child regardless of race, national origin, gender, geography, or socio-economic status; and “transparent” means visible to the citizens of South Carolina, so leaders can be held accountable.

The greatest teachers must be attracted and retained for the children with the greatest needs.

To have an adequate, fair educational opportunity, children in poverty need more resources. When children in poverty are aggregated in a school or district, the need for resources is multiplied.

An adequate, fair educational opportunity for poor children in South Carolina requires professional early childhood education.

Facility, infrastructure, and technology needs must be addressed. Geographic location should not determine the quality of school facilities, infrastructure, or technology experienced by a child.

Education is the key to economic development in South Carolina.

Local community governance and accountability are critical to producing excellence.

A total assessment of the state tax structure and revenue sources should be undertaken, and those systems should be rebalanced to support education and better align the state's resources with the education of our children.

Fair funding should involve "leveling up," not "leveling down," and should encourage excellence and innovation.

Fair funding may involve choice within the public schools and must not divert funds away from public schools.

South Carolina must maintain high standards of achievement for all students.

Once achieved, fair funding must be regularly reviewed, updated, and adjusted to be maintained as fair.

Recommendations

1. Teacher salaries in the areas of greatest need must be allowed to rise to the levels necessary to attract great teachers to serve children with the greatest needs.
2. Significant incentives such as retirement benefits, insurance benefits, salary supplements, and/or significant bonuses for length of service and effectiveness should be considered to attract and retain skilled teachers to high-poverty rural areas or other areas where students from poverty are aggregated.
3. South Carolina must continue to consistently raise average teacher salaries until we reach the national average.

4. Factors such as growth of population, inflation, aggregation of poverty, aggregation of special needs students, etc. must be studied to assure that basic costs are covered to support teachers in the conditions in which they are teaching.
5. Class size, principal leadership, collaborative teacher environments, etc. should be structured in ways that create a nurturing and supportive environment for teachers.
6. Education-friendly communities should be created and supported to increase teacher retention and satisfaction.
7. South Carolina should review and update the base student cost to reflect the funding necessary to educate all students; determine the funding needed above the base student cost to educate a poor child to achieve state standards; and determine the funding needed above the base student cost to educate a poor child where poverty in the school or district is overwhelming. The state should design and implement a funding allocation system that delivers the resources necessary to lift children with the greatest needs to achievement of state standards.
8. South Carolina should consider designing a system that increases the poverty weighting factor and the aggregation of poverty weighting factors.
9. South Carolina should consider mechanisms that account for community wealth, social capital, ability to raise capital for infrastructure, etc.
10. Birth through third grade early childhood education and health services should be provided to every child in need.
11. Early childhood interventions and opportunities should be coordinated with health service providers, logically through the schools.
12. Universal four-year-old kindergarten should be provided for all South Carolina children.
13. Three-year-old kindergarten should be provided for all South Carolina children in poverty.
14. A state infrastructure bank for schools should be considered.
15. More state capital should be available to upgrade and maintain facilities, infrastructure, and technology in communities where local capital is not available.
16. Mechanisms should be developed to assist schools in poverty in addressing infrastructure needs.
17. Facilities needs in “Corridor of Shame” schools should be addressed immediately.

18. South Carolina should raise debt limits and develop additional financing techniques in appropriate circumstances.
19. South Carolina should review state standards to assure efficiency and effectiveness in capital spending.
20. Education initiatives and innovation must be linked to economic strategies such as clusters, higher average income goals, etc.
21. Education in the visual arts, humanities, music, and the performing arts is vital to the quality of life and economic development in South Carolina, and should be fully funded.
22. An increasing focus on math and science achievement and continuing education must be a part of education and economic development strategies.
23. Statewide capital and other investments in higher education should be considered when aligning K–12 system resources with opportunities for higher education in South Carolina.
24. Fair funding means local communities must be able to foster excellence and respond to local needs.
25. Fair funding must enable, not supplant, local accountability and governance.
26. Where local community governance and accountability are poor, resources must be allocated to design, implement, and upgrade management improvements and school board quality.
27. Act 388 must be reformed and revised.
28. A comprehensive study of funding mechanisms, seeking the best systems in the U.S. and the world for raising and allocating funds, should be undertaken immediately.
29. A Blue Ribbon Committee to develop school funding legislation for introduction in 2008 should be named.
30. A system of statewide resource capture, allocation, and local control should be considered.
31. Weighted pupil systems should be revisited for fairness.
32. Systems of aggregating certain types of property tax wealth should be considered.
33. Revenue sources other than property tax should be considered.
34. No part of the tax structure should be omitted from consideration.

35. Fair funding should not deprive school districts of opportunities for excellence or innovation.
36. Local opportunities for innovation and excellence should be built into any fair funding proposal.
37. South Carolina should consider establishing demonstration schools as laboratories for excellence.
38. Choice within public schools should consider the transportation and scheduling needs of poor children and families.
39. A study of choice within public schools in other states and systems should be conducted with a focus on avoiding isolation of children by race, ethnicity, socio-economic status, or other factors.
40. Any system of choice with the public schools should promote, not diminish, achievement.
41. Systems of choice that undermine public schools by diverting resources from the public schools should be opposed.
42. High standards of achievement linked directly to global competitiveness are an integral element of fair funding and must result in the opportunity for each child to acquire the vocational and academic skills needed for productive citizenship.
43. Without high standards there is not “fairness” in “fair funding” because children will not be prepared to compete in the global economy of the twenty-first century.
44. Reducing standards for any of our children sells our children short. The suggestion that poor children cannot achieve the state’s standards must be resisted.
45. Fair funding must be regularly adjusted to maintain fairness, specifically considering population growth, inflation, capital needs, changing markets, and other conditions.
46. Legislation or other initiatives should be aligned with overall goals and, particularly, the Education Accountability Act and No Child Left Behind standards.
47. Fair funding should be continuously aligned with market needs for education workers and with preparation for higher education opportunities.